

December 22, 2008

Ms. Julie Fitch  
Director of Energy Division  
California Public Utilities Commission  
505 Van Ness Ave.  
Room 4004  
San Francisco, CA 94102

**RE: Southern California Edison's 2009 CSI and MASH Marketing & Outreach (M&O) Plan**

**Introduction**

The Guidelines for Marketing and Outreach of the California Solar Initiative (CSI) dated Oct. 31, 2008, require the CSI Program Administrators (PAs) to submit their 2009 CSI plans to the Director of the Energy Division on Dec. 15, 2008.

Additionally, D 08-10-036 establishing the Multifamily Affordable Solar Housing (MASH) Program within the California Solar Initiative includes a requirement for each PA to augment its current CSI marketing plan filing to include MASH marketing and outreach budgets and plans.

On Dec. 11, 2008, SCE submitted a request to the CPUC Energy Division — and subsequently received — a one-week extension (to Dec. 22, 2008) by which to file its M&O plan.

In accordance with the aforementioned, SCE submits its 2009 CSI and MASH Marketing and Outreach Plan for review and approval. This plan is divided into two parts. First, SCE addresses M&O for the mainstream CSI program. Second, SCE addresses M&O for the MASH.

**CALIFORNIA SOLAR INITIATIVE M&O PLAN**

**Background**

The CSI program, authorized by the Commission and Senate Bill (SB) 1, provides incentives for the installation and operation of solar energy systems. Through the CSI program, the Commission and Legislature seek to provide incentives to offset the cost of installing 3,000 megawatts (MW) of new solar energy systems in homes and businesses by Dec. 31, 2016. SB 1 establishes a \$2.167 billion budget for the Commission-sponsored portion of the CSI program.

SCE is tasked with the largest share of the CSI program budget (\$996 million) and megawatt allocation (805 MW). As of Dec. 1, 2008:

- Residential applications represented 7.186 MW and \$16.12 million in incentives (*of SCE's 265 MW allocation*)
- Non-Residential applications represented 34.26 MW and \$84.46 million in incentives (*of SCE's 540 MW allocation*)

SCE is seeking to identify targeted marketing opportunities to increase Residential customer awareness, participation and application submissions. CSI messaging will also be included in marketing communications targeting Business customers.

Southern California Edison  
6042A Irwindale Ave.  
Irwindale, CA 91702

### **Strategy**

For cost efficiency and maximum “reach,” SCE will continue to promote the CSI program in “bundled” marketing pieces that present the broad array of SCE’s Energy Efficiency and Demand Response programs. The CSI program will also be promoted in stand-alone pieces such as a CSI-Targeted Direct Mail Effort to promote Homeowner Solar Information Sessions (HSIS), Fact Sheets, Training Materials and Energy Management Success Stories (“Case Studies”).

SCE also looks forward to continued joint collaboration with the other PAs on marketing and outreach efforts, including the CSI monthly newsletter, fact sheet updates and the development of survey/analytic tools to assess the effectiveness of statewide efforts implemented to date. This will result in more efficient marketing of the CSI program and better utilization of the limited budget the PAs each have for M&O in 2009.

### **Target Audience**

The CSI integrated M&O effort will reach the following targets in SCE’s service territory:

- Residential Customers (existing homes)
- Businesses
- Non-profits
- Government Agencies
- Contractors/Installers

### **Messaging**

The message strategy will emphasize the environmental benefits of using solar energy while educating customers about incentives available to offset the cost of purchasing a solar energy system. Customers will be encouraged to “act now” to take advantage of higher incentive levels that are available earlier in the program term.

### **Tactics**

SCE hereby submits the following proposed tactical activities in support of CSI M&O in 2009:

***Bundled Marketing Communications*** — In support of the California Long-Term Energy Efficiency Strategic Plan, which aims to provide customers with a more holistic approach to managing their energy use, SCE will continue to include CSI messaging in bundled communications that promote the broad array of its Energy Efficiency and Demand Response program offerings. Reprints of SCE bundled communications — such as the Residential Savings Brochure, Bundled Mailer and Business-to-Business (B2B) Marketing Welcome Kit will be initiated in 2009.

If additional opportunities arise to include CSI messaging in a bundled effort not specifically identified in SCE’s 2009 M&O plan (or not previously approved by the Commission), SCE will obtain budget and messaging approval from the Commission prior to proceeding.

***Residential Bill Onsert Message (April and July – Tentative)*** — Space permitting, SCE will include CSI messaging on the April and July SCE utility bills using “on-bill” (onsert) messaging. There is no cost for the onsert message.

***Acxiom Database Update/HSIS Direct Mail Support*** — The Acxiom database was the foundation of SCE’s solar logistics probability model that was developed and approved by the Commission in October 2007. SCE appends Acxiom database information to its own customer database, which is used for refining targeted marketing activities and project analyses.

SCE will continue to use this solar logistics probability model to identify targeted prospects for direct mail campaigns that will be launched in support of the 2009 HSIS training schedule previously discussed.

**Solar Energy Management Success Stories** — SCE has been developing and plans to introduce three new Solar Energy Management Case Studies in 2009 to help increase business customer participation in the CSI program. These case studies will be distributed to business customers to educate them about the economic and environmental benefits associated with installing a PV solar system at their facility. Because Energy Management Success stories are testimonials based on the customers' actual experiences, they resonate with and can make a significant impact on prospective solar customers.

SCE also sees inherent value in and has budgeted for the development of two residential-focused Energy Management Success Stories to help to increase consideration for the CSI program with this target audience.

The residential and B2B Solar Energy Management Success Stories will, with customer permission, be included in SCE's B2B Welcome Kit and will also be integrated into other SCE business and training-related efforts.

**Power Bulletin** — The Power Bulletin is a newsletter distributed to approximately 8,500 medium and large business customers (>200 kW) in hard copy and electronic format. It contains information on energy efficiency, demand response, electric rates, event information and important tips to help business customers use their electricity wisely. CSI was featured in the June 2007 and 2008 issues of the Power Bulletin, at no cost to SCE's 2007 or 2008 interim M&O budgets. SCE plans to again pursue this no-cost marketing opportunity to promote the CSI program in 2009.

**CSI PA Joint Marketing & Outreach Activities** — SCE will continue to collaborate with the other CSI PAs to facilitate the successful implementation of these already-agreed upon 2009 marketing and outreach tactics: a 2010 CSI Wall Calendar; updated Fact Sheets to include Commission-advised 2009 energy efficiency requirements; a survey tool to assess the effectiveness of the Applicant Tutorial Video, CSI Consumer Guide and CSI statewide newsletter; and the creation of an online, interactive version of the CSI Consumer Guide developed in 2009. The cost of these efforts will be shared by the PAs. Co-funding agreements will be developed to identify each project's scope, deliverables and each PA's respective share of the projects' total costs.

SCE will continue to collaborate with the PAs to provide content and editorial support required for the CSI statewide monthly newsletter effort. As previously agreed upon by the PAs, the newsletter's production and electronic distribution expense will be reflected solely in the California Center for Sustainable Energy's (CCSE's) 2009 CSI M&O plan.

**CSI Local and Regional Tradeshow/Events** — SCE has allocated budget monies to ensure that the CSI has a prominent presence at important solar events and tradeshow in 2009. The Solar Electric Power Association, West Coast Energy Management Congress, Intersolar, California Climate Action Registry and West Coast Green are among the events/tradeshows for which the PAs will coordinate with the Energy Division to finalize participation details.

**Training** — SCE will continue to offer Installer Workshops approximately twice a month (24 classes annually). These four-hour workshops focus on the technical aspects of the CSI program and are attended primarily by installers, contractors and people who work in the solar industry. Approximately 50% of these classes (i.e. 12) will be offered online as a "webinar." In 2008, SCE's 16 Installer workshops drew 740 attendees, an average of 46 per class. To make these workshops accessible to even more people, beginning in mid-year 2008 SCE made available one Installer workshop via Webinar per month. The

resulting seven Webinars drew 64 attendees, an average of nine per class. With the increasing demand for the Installer workshops, we anticipate Webinar attendance will continue to increase as well.

Topics covered during the Installer workshops include:

- CSI Overview and Interconnection Process
- Statewide Online Database
- Solar Technologies
- Shading
- Advice Letters
- PV Fire Safety
- Photovoltaic Technologies
- Conducting Post-Installation Inspections

SCE plans to continue the Homeowner Solar Information Session (HSIS) training launched as a pilot in the fourth quarter of 2008. The importance of reaching out to homeowners continues to be underscored by the fact that the number of residential applications SCE has received to date is less than SCE would like. The response from prospects who attended the pilot training was very positive. In 2008, SCE began its HSIS training in the fourth quarter, and the seven Homeowner sessions held drew 270 attendees, an average of 39 per session.

Due to high demand/registration for some of the pilot classes, SCE plans to increase the frequency of these classes to four times a month. To make these workshops as accessible and convenient to customers as possible, SCE will continue to hold them in the evenings at select locations, including Service Centers, throughout its service territory. Much like the ongoing Installer Workshops, the dates and locations of these evening workshops will be prominently promoted on SCE's CSI Web site.

SCE has budgeted \$128,000 for residential HSIS training in 2009.

**Interactive Outreach** — SCE has budgeted \$25,000 for Interactive Outreach to purchase key solar-related words and phrases (i.e. "solar," "PV panels," "rooftop solar panels", etc.) on search engine/lifestyle Web sites that match the demographic characteristics of SCE customers with the highest propensity to "go solar." This tactic was proposed in SCE's 2008 updated M&O plan submission, but not deployed. SCE plans to initiate this tactic in 2009 in support of the robust homeowner solar training schedule planned for the February through October timeframe. "Paid search" solar messaging will be created that includes a "hot link" directing interested SCE customers to the corresponding class schedule and enrollment form on [www.SCE.com](http://www.SCE.com).

**Solar Financial Model Information Flyer/Brochure** —SCE sees benefit in developing an informational flyer or brochure that illustrates different solar financial models (i.e. power purchase agreements, long-term equipment leases, "green loans," etc.) for residential and business customers who might be interested "going solar," but are unaware of the various solar financial models that exist. SCE has earmarked \$20,000 for the creation of these materials, which will be made available to solar prospects and installers in hard copy and electronic format via the [sce.com](http://sce.com) Web site.

**Partnership Marketing** — SCE plans to further promote the CSI program by leveraging existing partnership efforts within its service territory. SCE envisions developing solar training classes and collateral materials to meet the specific needs of its partnerships and budget funds have been allocated accordingly. Additionally, SCE will solicit the assistance of SCE Local Public Affairs representatives to identify additional city/county/business partnership marketing opportunities that may exist.

***Inclusion of CSI Messaging in SCE New Hybrid Mobile Education Unit (MEU)*** — SCE's current 35-foot-long mobile energy education unit travels to major events, home shows and community festivals throughout SCE's service territory to promote residential and non-residential energy efficiency programs, including demand response and self-generation. Education and outreach is achieved through the use of interactive and static displays, written materials and brochures. Customers can also experience real-life applications of energy-efficient technologies that apply to their home.

The chart below summarizes the number of outreach events attended and customer contacts made for the period covering 2006 through 2008 year-to-date. The annual goal for 2009 is attendance at 120 events.

<b>SCE Mobile Education Unit (MEU)</b>		
<b>Year</b>	<b>Events Attended</b>	<b>Customer Contacts</b>
2006	80	22,654
2007	132	43,340
2008	120	64,925
2009	120	30,000 (minimum)

The MEU is a high-reach, low-cost way to help increase awareness of the CSI program, while also promoting energy efficiency as an important first step in the decision to "go solar." SCE's current MEU was purchased in 1999, so the current interior displays and information did not incorporate any CSI- or solar-related messaging.

The Energy Division previously approved SCE's updated 2008 CSI M&O budget request to allocate \$15,000 to the current MEU interior refurbishment effort already underway. Only \$7,250 of this expense will be invoiced in 2008; the remaining \$7,750 will be invoiced in Q1 2009. As such, SCE requests Commission approval to carryover \$7,750 from its 2008 CSI M&O Budget into 2009 so that funding related to this previously approved expense is available to pay the remaining amount due which will be invoiced during the first quarter of 2009.

SCE is also developing a new energy-efficient, **hybrid** MEU. The new vehicle will be a 38-foot-long, plug-in hybrid bus whose electricity requirements will, in part, be supplied by solar panels that will be installed on the roof of the vehicle. Production of the bus is expected to commence and be completed in 2009. SCE has allocated \$75,000 budget for the installation of the solar panels and inclusion of solar messaging in this new hybrid plug-in MEU. SCE will prepare a detailed proposal for the Energy Division's further consideration, as additional details concerning the new plug-in hybrid MEU vehicle and solar panel specifications become available.

***SCE.com Web Site Enhancements*** — SCE will continue to explore opportunities to enhance the SCE.com Web site to include interactive capabilities on CSI-related topics (e.g. customer feedback mechanism, access to installer Web-based training classes; ability to enroll in training online; demonstrations of how NEM and solar work, etc.). A complete overhaul of the SCE.com Web site is not planned; rather, enhancements that are undertaken will include CSI and will be consistent with the priorities established in D.07-05-047.

The Commission recently advised the PAs that it will soon be issuing a long-term strategy for CSI M&O which will require the CSI PAs to revisit their 2009 interim filings. To the extent that there may be a delay in approving SCE's M&O plan, SCE requests at a minimum expedited funding for the following proposed tactics: 1) Ongoing Installer Workshops and HSIS training; 2) CSI newsletter; 3) Expenses related to 2009 solar tradeshow/events—including collateral material—as these expense may require payment prior to

issuance of the long-term CSI M&O plan guidance; 4) Expenses related to SCE's Mobile Education Unit; and 5) Solar Financial Model Informational Flyer/Brochure.

### Budget

Decision 07-05-047 stipulates that the CSI PAs must adhere to a \$500,000 annual budget for interim CSI marketing and outreach. Accordingly, the following proposed budget allocation represents cost for interim CSI marketing and outreach as described above:

2009 CSI Interim M&O Budget		
CSI Marketing Effort	Budget	Notes
<b>RESIDENTIAL:</b>		
Residential Bundled Materials	\$40,000	
Res. Solar Logistics Probability Model (Acxiom database update in 09')	\$8,750	
Residential Solar Energy Mgmt. Success Stories (qty: 2)	\$10,000	
Res. CSI Bill "Onsert" Message (APRIL & JULY Tentative)	\$0	
<b>BUSINESS:</b>		
B2B Welcome Kit Reprint	\$15,000	
B2B Solar Energy Mgmt. Success Stories (qty: 3)	\$15,000	
B2B Bundled Communications	\$28,000	
Power Bulletin Article (Q2 or Q3)	\$0	
<b>2009 CSI STATEWIDE EFFORTS (jointly funded by CSI PAs):</b>		
2010 CSI Wall Calendar	\$25,000	
CSI Fact Sheet Updates to include EE Requirements	\$15,000	
GoSolar Survey Tool to assess Statewide Mktg. efforts	\$12,000	
Digitized Enhancements to GoSolar Consumer Guide	\$2,750	
CSI Monthly Newsletter	\$0	The expense for the CSI newsletter's production and distribution will be reflected in CCSE's 2009 M&O plan submission
<b>2009 TRADESHOWS / EVENTS:</b>		
Statewide GoSolarCalifornia presence at SEPA	\$5,000	
Other Shows/Events (West Coast Energy Mgmt Congress, CCAR, InterSolar, etc.)	\$25,000	
Storage Cost for GoSolarCalifornia Tradeshow Exhibit	\$1,000	
<b>TRAINING:</b>		
Installer Training	\$19,000	
Targeted Direct Mail Effort to promote Res./Non-Res. solar training	\$128,500	
<b>OUTREACH:</b>		
CSI Inclusion in SCE Mobile Education Unit (Carryover expense from 2008)	\$7,250	Energy Division approved \$15K expense in 08'; Only \$7,250 will be invoiced in 08'. The remaining \$7,750 will be invoiced in Q1 2009. SCE requests Commission approval to carryover \$7,750 from 2008 CSI M&O Budget to 2009.
Integration of Solar Panels/Messaging in SCE New Hybrid MEU	\$75,000	
Interactive Outreach ("Paid Search")	\$25,000	
Partnership Marketing Efforts	\$15,000	
Solar Financial Model Informational Flyer/Brochure	\$20,000	
<b>SCE.com WEBSITE ENHANCEMENT:</b>		
SCE.com Website Enhancement	\$15,000	
<b>TOTAL:</b>	<b>\$507,250</b>	

### Cost Methodology

As required by D.07-05-047, where SCE markets the CSI in conjunction with other Energy Efficiency and Demand Response programs, SCE will separately track the marketing costs attributable to the CSI. SCE will allocate costs based on the space dedicated to the CSI and the percentage of total content dedicated to the CSI in each marketing piece.

### Implementation Timeline

The implementation timeline below provides proposed dates for the completion of 2009 CSI Marketing and Outreach activities. These implementation dates are estimates and may be adjusted as needs arise.

2009 Interim CSI Marketing & Outreach Plan Implementation Timeline													
TACTICAL SUPPORT	January	February	March	April	May	June	July	August	September	October	November	December	
<b>RESIDENTIAL:</b>													
- Residential Bundled Marketing Materials													
- Res. Solar Energy Management Success Stories (qty: 2)													
- Res. CSI Bill "Onset" Message (APRIL & JULY)				TENTATIVE			TENTATIVE						
- Targeted Direct Mail Support for Homeowner Solar Information Sessions													
<b>BUSINESS:</b>													
- B2B Bundled Marketing Materials													
- B2B Solar Energy Management Success Stories (qty: 3)													
- B2B Segment Specific Communications incorporating CSI messaging													
- CSI Power Bulletin Article													
<b>CSI STATEWIDE EFFORTS (jointly funded by CSI PAs)</b>													
- 2010 CSI Wall Calendar													
- CSI Fact Sheet Updates													
- GoSolar Survey Tool Development													
- CSI Consumer Guide Enhancements													
<b>SOLAR TRADESHOWS / EVENTS</b>													
- 2009 SEPA Show (SCE's share of GoSolarCalifornia booth cost)													
- Other Solar Trade Shows/Events - Dates TBD													
<b>SCE.com WEBSITE ENHANCEMENT</b>													
<b>OUTREACH</b>													
- CSI messaging in SCE current MEU (carryover cost from 08' approved effort)													
- Solar Panel Installation on NEW Hybrid MEU													
- Interactive Outreach ("Paid Search")													
- Partnership Marketing Efforts (ongoing)													
- Solar Financial Model Informational Flyer/Brochure													
<b>TRAINING:</b>													
- Monthly Installer Workshops (2x per month)													
- Homeowner Solar Information Sessions (HSIS)													

### MULTIFAMILY AFFORDABLE SOLAR HOUSING (MASH) M&O PLAN

#### Background

D 08-10-036 establishes a \$108.34 million program budget for the MASH over a 10-year period. SCE's share of this program budget is \$49,836,400 (46%). The Decision stipulates that 88% of the PA's MASH budgets be allocated to incentives, with the remaining 12% (\$5,980,368) allocated toward administrative costs.

The Decision further requires the PAs to spend 2% on evaluation, but gives the PAs flexibility to allocate the remaining 10% between general administration and marketing and outreach as deemed appropriate.<sup>1</sup>

### **Strategy**

To effectively meet and achieve the challenges and opportunities presented in marketing the MASH program, SCE will take a two-phased approach.

The first phase consists of exploratory fact-finding. During this phase, SCE will leverage existing information resources, such as internal databases and institutional knowledge—including SCE's Low Income Energy Efficiency and Local Public Affairs organizations—to help determine SCE's potential customer base and the most effective tactics and messaging for reaching this audience.

The second phase will leverage partnerships with community-based and grassroots organizations to mine for similar information that will help determine SCE's potential target and the most impactful tactics and messaging.

Once SCE determines the customer base with the greatest propensity to participate in the MASH program and how best to reach them, a more detailed marketing plan will be submitted that outlines specific tactics and messaging that will be deployed.

SCE also looks forward to collaborating with the other MASH and Single-Family Low-Income (SFLI) PAs on marketing and outreach efforts to ensure consistency in the look and feel of marketing materials and messaging. This statewide collaborative approach has been very effective with CSI marketing and outreach efforts and should result in more efficient marketing of the MASH program, and better utilization of the limited budget the PAs each have for M&O in 2009.

### **Target Audience**

Although fact-finding to determine the audience with the greatest propensity to benefit from the MASH program is not yet complete, SCE anticipates reaching out to the following audiences in our service territory:

- LIEE-participating community-based organizations
- Key LIEE associations
- Contractors
- Building owners
- Property managers
- Public housing authorities

### **Messaging**

As has been done with the general market CSI program, marketing efforts for MASH will begin with educating customers about the importance of energy efficiency, available solar technologies, as well as general MASH program details.

The message strategy will emphasize the environmental benefits of using solar energy while educating customers about incentives available to offset the cost of purchasing a solar energy system.

Because the MASH incentives are straight-lined across the years of the program—unlike CSI incentives which are higher in earlier years—customers have less reason to “act now,” which will require a messaging strategy that is different than CSI, especially considering the current economic environment, which may make “going solar” a harder sell.

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<sup>1</sup> D 08-10-036.



**Tactics**

Although phase one MASH fact-finding activities are not yet complete, SCE anticipates, at a minimum, that the following tactical activities in support of MASH M&O in 2009 would be necessary: (1) a direct mail piece promoting the MASH program and in support of (2) an SCE-sponsored PA Workshop for potential MASH participants. SCE will submit a more detailed tactical plan concurrent with the update to its CSI/MASH M&O plan due to the Commission in June 2009.

Looking ahead, SCE envisions the likely need to implement the following additional tactical activities in support of MASH marketing and outreach in 2009:

- Fact sheet(s)
- SCE bill "onset" as described in CSI section above
- Conferences
- Presentations to organizations, including LIEE-participating community-based organizations

There likely will be other tactics and, once these are identified, SCE will request formal approval of and funding from the CPUC Energy Division.

**Budget**

In accordance with the above MASH requirements, SCE in its discretion is permitted to earmark up to 10% of its MASH administrative budget for marketing and outreach through Dec. 31, 2015, or until the MASH program funds are exhausted, whichever occurs first. Once SCE identifies appropriate marketing and outreach tactics and receives written cost estimates, SCE will formally request CPUC Energy Division approval for appropriation of funding from the MASH budget.

**Implementation Timeline**

As discussed above, SCE anticipates the first two phases necessary to determine the target audience to be completed in the first quarter of 2009. Concurrent with SCE filing its updated CSI M&O plan in June 2009 as directed by the Commission, SCE will also file a more detailed MASH M&O plan that identifies proposed strategy and tactics, messaging and costs based on results of internal fact-finding and discussions with community partners.

**COMMENTS**

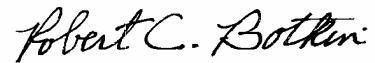
In accordance with D.07-05-047, parties on the service list for R.08-03-008 may send a letter to the Director of the Energy Division, commenting on SCE's proposed interim 2009 CSI and MASH marketing plans. Anyone wishing to comment on this filing may do so by letter sent via U.S. mail, by facsimile or electronically, any of which must be received no later than Jan. 12, 2009, which is 20 business days after the date of this filing. SCE will submit reply comments, as determined necessary, no later than Jan. 19, 2009. Comments should be mailed to:

CPUC Energy Division  
Tariff Files, Room 4005  
DMS Branch  
505 Van Ness Ave.  
San Francisco, CA 94102  
Facsimile: (415) 703-2200  
Email: [inj@cpuc.ca.gov](mailto:inj@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto:mas@cpuc.ca.gov)

**NOTICE**

In accordance with D.07-05-047, SCE is providing a copy of this letter to the service list in Rulemaking 08-03-008.

Sincerely,

A handwritten signature in black ink that reads "Robert C. Botkin". The signature is written in a cursive style with a large, stylized 'R' and 'B'.

Robert C. Botkin  
Manager of California Solar Initiative Program  
Southern California Edison